

# Debtors' Ex. 44

## City of Detroit

### Plan of Adjustment - 40 year projections

The attached Plan of Adjustment preliminary forecast (the “POA Financial Projections”), its assumptions and underlying data are the product of the Client and its management (“Management”) and consist of information obtained solely from the Client. With respect to prospective financial information relative to the Client, Ernst & Young LLP (“EY”) did not examine, compile or apply agreed upon procedures to such information in accordance with attestation standards established by the AICPA and EY expresses no assurance of any kind on the information presented. It is the Client’s responsibility to make its own decision based on the information available to it. Management has the knowledge, experience and ability to form its own conclusions related to the Client’s POA Financial Projections. There will usually be differences between forecasted and actual results because events and circumstances frequently do not occur as expected and those differences may be material. EY takes no responsibility for the achievement of forecasted results. Accordingly, reliance on this report is prohibited by any third party as the projected financial information contained herein is subject to material change and may not reflect actual results.

City's  
Exhibit  
**778**

## Plan of Adjustment - 10 year projections

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## General Fund view

(\$ in millions)

	Preliminary forecast										2014- 2023
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
<b>Operating revenues</b>											
Municipal income tax	\$ 247.9	\$ 256.2	\$ 262.3	\$ 268.3	\$ 274.0	\$ 279.9	\$ 286.0	\$ 292.2	\$ 298.5	\$ 304.9	\$ 2,770.3
State revenue sharing	191.2	196.6	198.7	200.3	202.0	203.8	205.6	199.1	200.8	202.5	2,000.5
Wagering taxes	169.9	168.2	169.0	169.9	171.6	173.3	175.0	176.8	178.6	180.3	1,732.6
Property taxes	114.9	102.6	100.8	102.4	102.6	103.9	106.8	109.7	113.3	117.0	1,074.0
Utility users' taxes	20.1	24.5	24.9	25.5	26.0	26.4	26.8	27.2	27.6	28.0	257.2
Other revenue	307.7	309.7	293.1	259.1	254.6	250.2	247.6	244.7	229.0	226.2	2,621.8
Department revenue initiatives	-	31.9	36.1	49.7	52.9	42.5	46.9	46.8	51.3	52.5	410.6
Operating revenues	1,051.6	1,089.7	1,085.0	1,075.1	1,083.7	1,080.0	1,094.8	1,096.5	1,099.0	1,111.5	10,866.9
<b>Operating expenditures</b>											
Salaries/overtime/fringe (a)	(331.0)	(350.2)	(364.8)	(363.6)	(372.5)	(381.8)	(389.4)	(397.1)	(404.8)	(412.9)	(3,768.1)
Health benefits	(49.2)	(48.0)	(52.4)	(55.9)	(60.0)	(63.6)	(66.1)	(68.7)	(71.5)	(74.3)	(609.8)
OP&B payments - future retirees (a)	-	(6.1)	(3.1)	(3.1)	(3.2)	(3.2)	(3.3)	(3.3)	(3.4)	(3.4)	(32.2)
Active pension plan (a)	-	(52.1)	(34.1)	(34.9)	(35.8)	(36.7)	(37.4)	(38.2)	(38.9)	(39.7)	(347.9)
Other operating expenses (b)	(291.3)	(320.1)	(326.5)	(303.5)	(304.8)	(302.0)	(302.2)	(303.3)	(309.4)	(310.3)	(3,073.2)
Additional operating expenditures	-	(88.9)	(82.3)	(82.7)	(83.6)	(78.3)	(78.7)	(75.0)	(74.1)	(71.9)	(715.7)
Cost savings	-	16.3	37.0	42.8	48.0	45.3	45.7	41.7	41.6	39.8	358.2
Total operating expenditures	\$ (671.5)	\$ (849.2)	\$ (826.3)	\$ (801.0)	\$ (811.8)	\$ (820.3)	\$ (831.5)	\$ (844.0)	\$ (860.5)	\$ (872.8)	\$ (8,188.7)
<b>Net operating cash flows</b>	<b>\$ 380.2</b>	<b>\$ 240.5</b>	<b>\$ 258.7</b>	<b>\$ 274.2</b>	<b>\$ 271.8</b>	<b>\$ 259.8</b>	<b>\$ 263.3</b>	<b>\$ 252.5</b>	<b>\$ 238.6</b>	<b>\$ 238.6</b>	<b>\$ 2,678.2</b>
<b>Financing cashflows</b>											
Secured debt service	\$ (35.4)	\$ (39.4)	\$ (39.4)	\$ (39.4)	\$ (39.4)	\$ (39.4)	\$ (39.5)	\$ (39.5)	\$ (39.5)	\$ (39.6)	\$ (390.5)
Pension	-	(16.0)	(23.5)	(23.5)	(23.4)	(23.2)	(3.3)	(3.2)	(2.0)	(1.7)	(119.8)
Contributions to income stabilization fund	-	(2.5)	(2.3)	(2.3)	(2.2)	(2.1)	(2.1)	(2.0)	(1.3)	(1.1)	(17.8)
DWSD / other fund contributions for new notes	-	0.1	5.7	6.3	4.9	4.7	8.0	7.9	7.8	7.7	53.2
Note A1 (UTGO)	-	(45.8)	(41.5)	(41.5)	(40.5)	(38.4)	(37.8)	(37.1)	(24.1)	(20.8)	(327.6)
Note A2 (LTGO)	-	(55.0)	-	-	-	-	-	-	-	-	(55.0)
Note B (incl. B reserves)	-	(12.6)	(25.3)	(25.3)	(25.3)	(25.3)	(25.3)	(25.3)	(25.3)	(25.3)	(214.9)
36DC cash payments	-	(0.5)	(0.4)	(0.4)	(0.4)	(0.4)	-	-	-	-	(2.2)
Note C (POC)	-	(5.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(84.8)
Total financing cashflows	\$ (35.4)	\$ (176.7)	\$ (136.7)	\$ (136.1)	\$ (136.4)	\$ (134.1)	\$ (109.8)	\$ (109.2)	\$ (94.4)	\$ (90.7)	\$ (1,159.4)
<b>Net cash flows available for capital investment</b>	<b>\$ 344.7</b>	<b>\$ 63.8</b>	<b>\$ 122.1</b>	<b>\$ 138.0</b>	<b>\$ 135.5</b>	<b>\$ 125.7</b>	<b>\$ 153.5</b>	<b>\$ 143.3</b>	<b>\$ 144.2</b>	<b>\$ 148.0</b>	<b>\$ 1,518.8</b>
<b>Investment cashflows</b>											
Reorganization (Capital investments)	\$ -	\$ (139.5)	\$ (106.4)	\$ (65.6)	\$ (50.2)	\$ (43.6)	\$ (51.9)	\$ (46.0)	\$ (40.4)	\$ (38.6)	\$ (582.2)
Blight (excludes heavy commercial)	-	(82.0)	(46.0)	(50.0)	(50.0)	(51.0)	(52.0)	(45.0)	(25.0)	(19.0)	(420.0)
Hardest Hit funds & Fire escrow	-	63.3	9.0	-	-	-	-	-	-	-	72.3
PLD decommission	-	(2.5)	(5.0)	(15.0)	(10.0)	(10.0)	(10.0)	(12.5)	(10.0)	-	(75.0)
Contingency	-	(11.5)	(10.9)	(10.8)	(10.8)	(10.8)	(10.9)	(11.0)	(11.0)	(11.1)	(98.9)
Reinvestment deferrals	-	-	20.5	15.2	(2.7)	1.5	7.4	35.3	3.6	(20.5)	60.2
Total investment cashflows	\$ -	\$ (172.2)	\$ (138.8)	\$ (126.2)	\$ (123.7)	\$ (113.9)	\$ (117.4)	\$ (79.2)	\$ (82.8)	\$ (89.3)	\$ (1,043.5)
<b>Bankruptcy-related and other cashflows</b>											
QOL / exit financing principal/interest payments	\$ (0.7)	\$ (10.3)	\$ (15.8)	\$ (15.8)	\$ (15.8)	\$ (15.8)	\$ (39.8)	\$ (62.4)	\$ (59.6)	\$ (56.9)	\$ (292.9)
QOL / exit financing proceeds (net)	-	212.8	28.6	-	-	-	-	-	-	-	241.4
Swap interest set-aside	(45.9)	(57.8)	-	-	-	-	-	-	-	-	(103.7)
OP&B payments - current retirees	(143.7)	(19.0)	-	-	-	-	-	-	-	-	(162.8)
Escrow proceeds (2012 refunding bonds)	-	64.7	-	-	-	-	-	-	-	-	64.7
Working capital	13.4	(33.2)	4.0	4.0	4.0	4.0	4.0	-	-	-	0.2
Restructuring professional fees (c)	(49.4)	(127.6)	-	-	-	-	-	-	-	-	(177.0)
Total bankruptcy cashflows	\$ (226.3)	\$ 29.6	\$ 16.8	\$ (11.8)	\$ (11.8)	\$ (11.8)	\$ (35.8)	\$ (62.4)	\$ (59.6)	\$ (56.9)	\$ (430.1)
<b>Surplus / (deficit)</b>	<b>\$ 118.4</b>	<b>\$ (78.8)</b>	<b>\$ (0.0)</b>	<b>\$ -</b>	<b>\$ 0.0</b>	<b>\$ (0.0)</b>	<b>\$ 0.3</b>	<b>\$ 1.7</b>	<b>\$ 1.7</b>	<b>\$ 1.8</b>	<b>\$ 45.2</b>
<b>Ending cash balance (a)</b>	<b>\$ 154.4</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.9</b>	<b>\$ 77.6</b>	<b>\$ 79.4</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>

**Footnotes:**

(a) Assumes pending DPOA &amp; DFFA deals are cash flow neutral.

(b) The impact of the first decade increase in DDOT subsidy is assumed to be offset by operational savings beyond 2023.

(c) Any incremental professional fees are assumed to be funded by escrow account subject to State approval.

## Plan of Adjustment - 40 year projections

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## General Fund view

(\$ in millions)

	Preliminary forecast				Total
	2014-2023	2024-2033	2034-2043	2044-2053	2014-2053
<b>Operating revenues</b>					
Municipal income tax	\$ 2,770.3	\$ 3,510.0	\$ 4,590.6	\$ 6,059.3	\$ 16,930.2
State revenue sharing	2,000.5	2,121.0	2,307.1	2,533.2	8,961.8
Wagering taxes	1,732.6	1,905.6	2,105.0	2,325.2	8,068.4
Property taxes	1,074.0	1,369.6	1,640.0	1,903.2	5,986.8
Utility users' taxes	257.2	304.3	353.2	409.9	1,324.6
Other revenue	2,621.8	2,294.8	2,647.0	3,200.0	10,763.7
Department revenue initiatives	410.6	586.2	714.6	871.1	2,582.5
Operating revenues	10,866.9	12,091.6	14,357.4	17,301.9	54,617.9
<b>Operating expenditures</b>					
Salaries/overtime/fringe (a)	(3,768.1)	(4,611.8)	(5,700.3)	(7,120.9)	(21,201.1)
Health benefits	(609.8)	(928.2)	(1,373.9)	(2,033.7)	(4,945.6)
OP&B payments - future retirees (a)	(32.2)	(37.0)	(43.2)	(51.1)	(163.4)
Active pension plan (a)	(347.9)	(443.6)	(547.8)	(683.4)	(2,022.6)
Other operating expenses (b)	(3,073.2)	(3,437.4)	(4,190.1)	(5,107.7)	(15,808.5)
Additional operating expenditures	(715.7)	(803.6)	(979.5)	(1,194.1)	(3,692.9)
Cost savings	358.2	444.5	541.9	660.5	2,005.1
Total operating expenditures	\$ (8,188.7)	\$ (9,816.8)	\$ (12,293.0)	\$ (15,530.3)	\$ (45,828.9)
<b>Net operating cash flows</b>	<b>\$ 2,678.2</b>	<b>\$ 2,274.8</b>	<b>\$ 2,064.4</b>	<b>\$ 1,771.6</b>	<b>\$ 8,788.9</b>
<b>Financing cashflows</b>					
Secured debt service	\$ (390.5)	\$ (391.0)	\$ (67.2)	\$ -	\$ (848.6)
Pension	(119.8)	(961.8)	(916.0)	(613.8)	(2,611.4)
Contributions to income stabilization fund	(17.8)	(2.2)	-	-	(20.0)
DWSD / other fund contributions for new notes	53.2	83.6	65.5	18.9	221.2
Note A1 (UTGO)	(327.6)	(40.8)	-	-	(368.5)
Note A2 (LTGO)	(55.0)	-	-	-	(55.0)
Note B (incl. B reserves)	(214.9)	(470.2)	(450.6)	(68.9)	(1,204.6)
36DC cash payments	(2.2)	-	-	-	(2.2)
Note C (POC)	(84.8)	(34.9)	-	-	(119.7)
Total financing cashflows	\$ (1,159.4)	\$ (1,817.4)	\$ (1,368.3)	\$ (663.8)	\$ (5,008.8)
<b>Net cash flows available for capital investment</b>	<b>\$ 1,518.8</b>	<b>\$ 457.4</b>	<b>\$ 696.1</b>	<b>\$ 1,107.8</b>	<b>\$ 3,780.1</b>
<b>Investment cashflows</b>					
Reorganization (Capital investments)	\$ (582.2)	\$ (442.7)	\$ (501.4)	\$ (605.3)	\$ (2,131.5)
Blight (excludes heavy commercial)	(420.0)	-	-	-	(420.0)
Hardest Hit funds & Fire escrow	72.3	-	-	-	72.3
PLD decommission	(75.0)	-	-	-	(75.0)
Contingency	(98.9)	(120.9)	(143.6)	(173.0)	(536.4)
Reinvestment deferrals	60.2	204.7	(51.1)	(213.8)	-
Total investment cashflows	\$ (1,043.5)	\$ (358.9)	\$ (696.1)	\$ (992.1)	\$ (3,090.6)
<b>Bankruptcy-related and other cashflows</b>					
QOL / exit financing principal/interest payments	\$ (292.9)	\$ (126.0)	\$ -	\$ -	\$ (418.9)
QOL / exit financing proceeds (net)	241.4	27.5	-	-	268.9
Swap interest set-aside	(103.7)	-	-	-	(103.7)
OP&B payments - current retirees	(162.8)	-	-	-	(162.8)
Escrow proceeds (2012 refunding bonds)	64.7	-	-	-	64.7
Working capital	0.2	-	-	-	0.2
Restructuring professional fees (c)	(177.0)	-	-	-	(177.0)
Total bankruptcy cashflows	\$ (430.1)	\$ (98.5)	\$ -	\$ -	\$ (528.6)
<b>Surplus / (deficit)</b>	<b>\$ 45.2</b>	<b>\$ 0.0</b>	<b>\$ (0.0)</b>	<b>\$ 115.7</b>	<b>\$ 160.9</b>
<b>Ending cash balance (a)</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 196.9</b>	<b>\$ 196.9</b>

Footnotes:

(a) Assumes pending DPOA &amp; DFFA deals are cash flow neutral.

(b) The impact of the first decade increase in DDOT subsidy is assumed to be offset by operational savings beyond 2023.

(c) Any incremental professional fees are assumed to be funded by escrow account subject to State approval.

## Plan of Adjustment - 40 year projections

## Adjustments since 9/25/2014

(\$ in millions)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2014- 2023	2024- 2023	2034- 2043	2044- 2053	40-year total
<b>Financing changes</b>															
QOL / exit financing proceeds (net)	-	(27.6)	1.0	-	-	-	-	-	-	-	(26.7)	27.5	-	-	0.8
QOL / exit financing principal/interest payments	-	(0.6)	-	-	-	-	-	-	-	-	(0.6)	-	-	-	(0.6)
Total	-	(28.2)	1.0	-	-	-	-	-	-	-	(27.2)	27.5	-	-	0.3
<b>FGIC settlement</b>															
Note C (POC)	-	(3.8)	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)	(7.6)	(64.4)	(26.5)	-	-	(90.9)
Increased other fund reimbursements	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.1	(0.2)	(0.8)	(0.1)	(0.0)
Increased DWSD revenue stream	-	0.4	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	6.8	1.7	(1.3)	(0.2)	7.1
Total	-	(3.3)	(6.6)	(6.6)	(6.6)	(6.6)	(6.6)	(6.6)	(6.6)	(6.6)	(56.5)	(25.0)	(2.1)	(0.3)	(83.9)
<b>Reinvestment deferrals &amp; other differences</b>															
Reinvestment deferrals	-	-	0.3	0.7	2.1	2.2	(1.1)	3.0	3.1	3.2	13.5	(26.9)	(11.3)	24.8	0.0
Reduction in professional fees	-	5.0	-	-	-	-	-	-	-	-	5.0	-	-	-	5.0
Increased Parking EF revenue stream	-	(3.5)	1.4	2.0	0.6	0.4	3.7	3.6	3.5	3.4	15.2	24.4	13.4	10.9	64.0
Copper wire and other asset sales	-	5.0	4.0	4.0	4.0	4.0	4.0	-	-	-	25.0	-	-	-	25.0
Comcast settlement	-	25.0	-	-	-	-	-	-	-	-	25.0	-	-	-	25.0
Total	-	31.5	5.7	6.6	6.6	6.6	6.6	6.6	6.6	6.6	83.7	(2.5)	2.1	35.7	119.0
<b>Total adjustments (post 9/25/2014)</b>	<b>\$ -</b>	<b>\$ 0.0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ 0.0</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 35.4</b>	<b>\$ 35.4</b>
<b>Original ending cash balance (9/25/2014)</b>	<b>\$ 154.4</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.9</b>	<b>\$ 77.6</b>	<b>\$ 79.4</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 161.5</b>	<b>\$ 161.5</b>
Cumulative adjustments	-	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)	0.0	(0.0)	(0.0)	(0.0)	(0.0)	35.4	35.4
<b>Ending cash balance</b>	<b>\$ 154.4</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.9</b>	<b>\$ 77.6</b>	<b>\$ 79.4</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 196.9</b>	<b>\$ 196.9</b>



## Plan of Adjustment - 40 year projections

## Detail of Adjustments since 7/2/2014

(\$ in millions)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2014- 2023	2024- 2023	2034- 2043	2044- 2053	40-year total
<b>Financing changes</b>															
QOL / exit financing proceeds (net)	-	(39.0)	(12.3)	-	-	-	-	-	-	-	(51.2)	27.5	-	-	(23.7)
QOL / exit financing principal/interest payments	-	3.1	2.2	2.2	2.2	30.8	19.4	(5.8)	(5.6)	(5.4)	42.9	(15.7)	-	-	27.2
Total	-	(35.9)	(10.1)	2.2	2.2	30.8	19.4	(5.8)	(5.6)	(5.4)	(8.3)	11.8	-	-	3.4
<b>POC settlement</b>															
Note C (POC)	-	(5.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(84.8)	(34.9)	-	-	(119.7)
Non-bankruptcy settlement items	-	(5.4)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.7)	(0.6)	(0.6)	(10.9)	(6.3)	(0.3)	-	(17.5)
Increased other fund reimbursements	-	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	1.4	(0.3)	(1.1)	(0.2)	(0.1)
Increased DWSD revenue stream	-	0.5	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	9.0	2.4	(1.6)	(0.2)	9.5
Total	-	(9.7)	(9.5)	(9.5)	(9.5)	(9.5)	(9.5)	(9.4)	(9.3)	(9.3)	(85.2)	(39.1)	(2.9)	(0.4)	(127.7)
<b>36DC settlement</b>	-	(0.5)	(0.4)	(0.4)	(0.4)	(0.4)	-	-	-	-	(2.2)	-	-	-	(2.2)
<b>Reinvestment deferrals &amp; other differences</b>															
Contingency	-	1.9	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.4	0.1	0.0	-	2.5
QOL proceeds - timing	(52.5)	52.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditures - timing	131.2	(131.2)	-	-	-	-	-	-	-	-	-	-	-	-	-
Blight - timing	-	20.0	-	(10.0)	(7.0)	(3.0)	-	-	-	-	-	-	-	-	-
Escrow proceeds (2012 refunding bonds)	-	44.7	-	-	-	-	-	-	-	-	44.7	-	-	-	44.7
Increased Parking EF revenue stream	-	(3.5)	1.4	2.0	0.6	0.4	3.7	3.6	3.5	3.4	15.2	24.4	13.4	10.9	64.0
Copper wire and other asset sales	-	5.0	4.0	4.0	4.0	4.0	4.0	-	-	-	25.0	-	-	-	25.0
Comcast settlement	-	25.0	-	-	-	-	-	-	-	-	25.0	-	-	-	25.0
Additional professional fees	-	(47.0)	-	-	-	-	-	-	-	-	(47.0)	-	-	-	(47.0)
Reinvestment deferrals	-	-	14.2	11.8	7.1	(22.3)	(17.3)	13.3	12.4	11.3	30.4	(18.2)	(40.2)	28.0	0.0
Other	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Total	78.8	(32.6)	20.0	7.7	4.7	(20.9)	(9.6)	16.9	16.0	14.7	95.8	6.4	(26.8)	38.9	114.3
<b>Total adjustments (Post 7/2/2104)</b>	<b>\$ 78.8</b>	<b>\$ (78.8)</b>	<b>\$ (0.0)</b>	<b>\$ -</b>	<b>\$ (3.1)</b>	<b>\$ -</b>	<b>\$ 0.3</b>	<b>\$ 1.7</b>	<b>\$ 1.0</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>	<b>\$ (21.0)</b>	<b>\$ (29.7)</b>	<b>\$ 38.5</b>	<b>\$ (12.2)</b>
<b>Original ending cash balance (7/2/2014)</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 78.7</b>	<b>\$ 78.7</b>	<b>\$ 78.7</b>	<b>\$ 78.7</b>	<b>\$ 79.4</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 102.2</b>	<b>\$ 131.9</b>	<b>\$ 209.1</b>	<b>\$ 209.1</b>
Cumulative adjustments	78.8	(0.0)	(0.0)	(0.0)	(3.1)	(3.1)	(2.8)	(1.0)	(0.0)	(0.0)	(0.0)	(21.0)	(50.7)	(12.2)	(12.2)
<b>Ending cash balance</b>	<b>\$ 154.4</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.9</b>	<b>\$ 77.6</b>	<b>\$ 79.4</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 196.9</b>	<b>\$ 196.9</b>

## Plan of Adjustment - 40 year projections

## Bridge - 40 year adjustments since 7/2/2014

(\$ in millions)

	2014- 2023	2024- 2033	2034- 2043	2044- 2053	40-year total
POA (7/2/2014) surplus / (deficit)	\$ 45.2	\$ 21.0	\$ 29.7	\$ 77.2	\$ 173.1
<b>Adjustments (a):</b>					
Financing changes	(8.3)	11.8	-	-	3.4
POC settlement	(85.2)	(39.1)	(2.9)	(0.4)	(127.7)
36DC settlement	(2.2)	-	-	-	(2.2)
Reinvestment deferrals & other differences	95.8	6.4	(26.8)	38.9	114.3
<b>Total adjustments</b>	<b>(0.0)</b>	<b>(21.0)</b>	<b>(29.7)</b>	<b>38.5</b>	<b>(12.2)</b>
<b>Adjusted surplus / (deficit)</b>	<b>\$ 45.2</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 115.7</b>	<b>\$ 160.9</b>
<b>Original ending cash balance (7/2/2014)</b>	<b>\$ 81.2</b>	<b>\$ 102.2</b>	<b>\$ 131.9</b>	<b>\$ 209.1</b>	<b>\$ 209.1</b>
Cumulative adjustments	(0.0)	(21.0)	(50.7)	(12.2)	(12.2)
<b>Ending cash balance</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 196.9</b>	<b>\$ 196.9</b>

Footnotes:

(a) See next page for detailed adjustments.

## Appendices



## Plan of Adjustment - 40 year projections

## Preliminary forecast and distributions

(\$ in millions)

Debtors Ex. 44 Page 9 of 16

	Preliminary forecast										2014-
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2023
<b>Sources</b>											
Funds available for unsecured claims	\$ 138.4	\$ 56.1	\$ 95.0	\$ 94.4	\$ 94.8	\$ 92.5	\$ 68.6	\$ 69.4	\$ 55.3	\$ 51.8	\$ 816.3
<b>Revenue stream from DWSD - no transaction</b>											
Pension	-	65.4	45.4	45.4	45.4	45.4	45.4	45.4	45.4	45.4	428.5
OPEB (based on 12.1% of OPEB - current retirees payments)	-	2.6	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	21.7
POC (based on 11.5% of total POC payments)	-	0.8	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	13.6
<b>Subtotal: Revenue stream from DWSD</b>	-	68.8	49.4	49.4	49.4	49.4	49.4	49.4	49.4	49.4	463.8
<b>Reimbursement from other funds</b>	-	(0.3)	4.7	5.3	3.9	3.7	6.9	6.8	6.7	6.6	44.3
<b>Grand Bargain funding</b>											
Foundation fundraising	-	18.3	18.3	18.3	18.3	18.3	18.3	18.3	18.3	18.3	164.7
DIA contributions	-	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	45.0
<b>State settlement</b>	-	194.8	-	-	-	-	-	-	-	-	194.8
<b>Total sources</b>	<b>\$ 138.4</b>	<b>\$ 342.7</b>	<b>\$ 172.4</b>	<b>\$ 172.4</b>	<b>\$ 171.3</b>	<b>\$ 168.9</b>	<b>\$ 148.2</b>	<b>\$ 148.9</b>	<b>\$ 134.7</b>	<b>\$ 131.1</b>	<b>\$ 1,728.9</b>

Uses

<b>Retiree payments</b>											
PFRS pension payments	-	(114.3)	(18.3)	(18.3)	(18.3)	(18.3)	(18.3)	(18.3)	(18.3)	(18.3)	(260.7)
GRS pension payments	-	(188.2)	(76.9)	(76.9)	(76.8)	(76.6)	(56.5)	(56.5)	(55.2)	(54.9)	(718.5)
PFRS OPEB payments - current retirees	(9.1)	-	-	-	-	-	-	-	-	-	(9.1)
GRS OPEB payments - current retirees	(10.9)	-	-	-	-	-	-	-	-	-	(10.9)
<b>Subtotal: retiree distributions</b>	(20.0)	(302.5)	(95.2)	(95.2)	(95.1)	(94.9)	(74.8)	(74.8)	(73.5)	(73.2)	(999.2)
<b>Note and cash payments</b>											
Note A1 (UTGO)	-	(45.8)	(41.5)	(41.5)	(40.5)	(38.4)	(37.8)	(37.1)	(24.1)	(20.8)	(327.6)
Note A2 (LTGO)	-	(55.0)	-	-	-	-	-	-	-	-	(55.0)
Note B (incl. B reserves)	-	(12.6)	(25.3)	(25.3)	(25.3)	(25.3)	(25.3)	(25.3)	(25.3)	(25.3)	(214.9)
36DC cash payments	-	(0.5)	(0.4)	(0.4)	(0.4)	(0.4)	-	-	-	-	(2.2)
Note C (POC)	-	(5.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(84.8)
<b>Subtotal: note and cash payments</b>	-	(119.0)	(77.2)	(77.2)	(76.2)	(74.0)	(73.0)	(72.4)	(59.4)	(56.1)	(684.5)
<b>Total distributions / total uses</b>	<b>\$ (20.0)</b>	<b>\$ (421.5)</b>	<b>\$ (172.4)</b>	<b>\$ (172.4)</b>	<b>\$ (171.3)</b>	<b>\$ (168.9)</b>	<b>\$ (147.9)</b>	<b>\$ (147.2)</b>	<b>\$ (132.9)</b>	<b>\$ (129.3)</b>	<b>\$ (1,683.7)</b>

Surplus / (deficit)	\$ 118.4	\$ (78.8)	\$ -	\$ -	\$ -	\$ -	\$ 0.3	\$ 1.7	\$ 1.7	\$ 1.8	\$ 45.2
<b>Ending cash balance (a)</b>	<b>\$ 154.4</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.6</b>	<b>\$ 75.9</b>	<b>\$ 77.6</b>	<b>\$ 79.4</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>
Memo:											
FY14 expenditures to be spent in FY15	(78.8)	78.8	-	-	-	-	-	-	-	-	-
<b>Adjusted surplus / (deficit)</b>	<b>\$ 39.6</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 0.3</b>	<b>\$ 1.7</b>	<b>\$ 1.7</b>	<b>\$ 1.8</b>	<b>\$ 45.2</b>

Footnotes:

(a) Includes 5% of budgeted expenditures as required by State law.

## Plan of Adjustment - 40 year projections

## Preliminary forecast and distributions

(\$ in millions)

	Preliminary forecast										2014-
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2023
<b>Revenues</b>											
Municipal income tax	\$ 247.9	\$ 256.2	\$ 262.3	\$ 268.3	\$ 274.0	\$ 279.9	\$ 286.0	\$ 292.2	\$ 298.5	\$ 304.9	\$ 2,770.3
State revenue sharing	191.2	196.6	198.7	200.3	202.0	203.8	205.6	199.1	200.8	202.5	2,000.5
Wagering taxes	169.9	168.2	169.0	169.9	171.6	173.3	175.0	176.8	178.6	180.3	1,732.6
Property taxes	114.9	102.6	100.8	102.4	102.6	103.9	106.8	109.7	113.3	117.0	1,074.0
Utility users' taxes	20.1	24.5	24.9	25.5	26.0	26.4	26.8	27.2	27.6	28.0	257.2
Sales and charges for services	131.5	118.0	115.8	113.6	111.4	109.2	107.0	104.4	103.3	104.0	1,118.0
Other revenue	79.8	86.2	78.0	66.5	65.3	65.5	65.8	66.2	66.6	66.9	706.9
General Fund reimbursements	29.8	42.9	41.7	21.4	21.4	21.4	21.4	21.4	21.4	21.4	264.1
Transfers in for UTGO	66.5	62.6	57.7	57.6	56.5	54.1	53.4	52.7	37.7	33.9	532.8
Restructuring:											
Department revenue initiatives	-	95.2	45.1	49.7	52.9	42.5	46.9	46.8	51.3	52.5	482.9
QOL / exit financing proceeds (net)	-	212.8	28.6	-	-	-	-	-	-	-	241.4
Total revenues	1,051.6	1,365.9	1,122.6	1,075.1	1,083.7	1,080.0	1,094.8	1,096.5	1,099.0	1,111.5	11,180.6
<b>Expenditures</b>											
Salaries/overtime/fringe - Public Safety (a)	(245.2)	(263.3)	(276.7)	(277.5)	(284.4)	(291.5)	(297.4)	(303.3)	(309.4)	(315.6)	(2,864.3)
Salaries/overtime/fringe - Non-Public Safety	(85.7)	(86.9)	(88.1)	(86.1)	(88.0)	(90.2)	(92.0)	(93.8)	(95.4)	(97.3)	(903.8)
Health benefits (b)	(173.0)	(67.1)	(52.4)	(55.9)	(60.0)	(63.6)	(66.1)	(68.7)	(71.5)	(74.3)	(752.6)
OPEB payments - future retirees (a)	-	(6.1)	(3.1)	(3.1)	(3.2)	(3.2)	(3.3)	(3.3)	(3.4)	(3.4)	(32.2)
Active pension plan (a)	-	(52.1)	(34.1)	(34.9)	(35.8)	(36.7)	(37.4)	(38.2)	(38.9)	(39.7)	(347.9)
Other operating expenses (c)	(291.3)	(320.1)	(326.5)	(303.5)	(304.8)	(302.0)	(302.2)	(303.3)	(309.4)	(310.3)	(3,073.2)
Restructuring:											
Additional operating expenditures	-	(72.6)	(45.3)	(39.9)	(35.6)	(33.0)	(33.0)	(33.3)	(32.5)	(32.1)	(357.5)
Escrow proceeds (2012 refunding bonds)	-	64.7	-	-	-	-	-	-	-	-	64.7
Working capital	13.4	(33.2)	4.0	4.0	4.0	4.0	4.0	-	-	-	0.2
Secured debt service	(35.4)	(39.4)	(39.4)	(39.4)	(39.4)	(39.4)	(39.5)	(39.5)	(39.5)	(39.6)	(390.5)
Contributions to income stabilization fund	-	(2.5)	(2.3)	(2.3)	(2.2)	(2.1)	(2.1)	(2.0)	(1.3)	(1.1)	(17.8)
Swap interest set-aside	(45.9)	(57.8)	-	-	-	-	-	-	-	-	(103.7)
QOL / exit financing principal/interest payments	(0.7)	(10.3)	(15.8)	(15.8)	(15.8)	(15.8)	(39.8)	(62.4)	(59.6)	(56.9)	(292.9)
Reorganization (Capital investments)	-	(139.5)	(106.4)	(65.6)	(50.2)	(43.6)	(51.9)	(46.0)	(40.4)	(38.6)	(582.2)
Restructuring professional fees	(49.4)	(127.6)	-	-	-	-	-	-	-	-	(177.0)
Blight (excludes heavy commercial)	-	(82.0)	(46.0)	(50.0)	(50.0)	(51.0)	(52.0)	(45.0)	(25.0)	(19.0)	(420.0)
PLD decommission	-	(2.5)	(5.0)	(15.0)	(10.0)	(10.0)	(10.0)	(12.5)	(10.0)	-	(75.0)
Contingency	-	(11.5)	(10.9)	(10.8)	(10.8)	(10.8)	(10.9)	(11.0)	(11.0)	(11.1)	(98.9)
Reinvestment deferrals	-	-	20.5	15.2	(2.7)	1.5	7.4	35.3	3.6	(20.5)	60.2
Total expenditures	(913.3)	(1,309.8)	(1,027.5)	(980.7)	(988.9)	(987.5)	(1,026.2)	(1,027.1)	(1,043.7)	(1,059.6)	(10,364.4)
<b>Funds available for unsecured claims</b>	<b>\$ 138.4</b>	<b>\$ 56.1</b>	<b>\$ 95.0</b>	<b>\$ 94.4</b>	<b>\$ 94.8</b>	<b>\$ 92.5</b>	<b>\$ 68.6</b>	<b>\$ 69.4</b>	<b>\$ 55.3</b>	<b>\$ 51.8</b>	<b>\$ 816.3</b>

Footnotes:

(a) Assumes pending DPOA &amp; DFFA deals are cash flow neutral.

(b) Health benefits include \$142.8m of OPEB payments for current retirees in FY 2014 (\$123.8m) and FY 2015 (\$19m).

(c) The impact of the first decade increase in DDOT subsidy is assumed to be offset by operational savings beyond 2023.

## Plan of Adjustment - 40 year projections

## Preliminary forecast and distributions

(\$ in millions)

Debtors Ex. 44 Page 11 of 16

## Total distributions to creditors

	2014- 2023	2024- 2033	2034- 2043	2044- 2053	40-year total
PFRS pension (c)	\$ (260.7)	\$ (617.7)	\$ (464.5)	\$ (311.3)	\$ (1,654.2)
GRS pension (c)	(718.5)	(630.4)	(474.0)	(317.7)	(2,140.7)
PFRS OPEB (cash)	(9.1)	-	-	-	(9.1)
GRS OPEB (cash)	(10.9)	-	-	-	(10.9)
UTGO (Note A1)	(327.6)	(40.8)	-	-	(368.5)
LTGO (Note A2)	(55.0)	-	-	-	(55.0)
<u>Note B</u>					
PFRS OPEB (incl. B reserves)	(86.3)	(188.9)	(181.0)	(27.7)	(483.9)
GRS OPEB (incl. B reserves)	(81.2)	(177.7)	(170.3)	(26.0)	(455.1)
LTGO (B reserves)	(5.9)	(12.9)	(12.4)	(1.9)	(33.2)
POC - Syncora	(8.0)	(17.5)	(16.8)	(2.6)	(44.8)
POC - FGIC (B reserves)	(25.2)	(55.2)	(52.9)	(8.1)	(141.4)
DDA	(1.3)	(2.7)	(2.6)	(0.4)	(7.0)
Other unsecured items (incl. B reserves)	(7.0)	(15.3)	(14.6)	(2.2)	(39.1)
36DC cash payments	(2.2)	-	-	-	(2.2)
POC - Syncora (Note C)	(20.4)	(8.4)	-	-	(28.8)
<b>Total distributions to unsecured creditors</b>	<b>(1,683.7)</b>	<b>(1,794.1)</b>	<b>(1,389.2)</b>	<b>(697.8)</b>	<b>(5,564.8)</b>
<b>Total secured debt service (including QOL/Exit financing)</b>	<b>(683.4)</b>	<b>(517.0)</b>	<b>(67.2)</b>	<b>-</b>	<b>(1,267.6)</b>
<b>Total distributions to creditors</b>	<b>\$ (2,367.1)</b>	<b>\$ (2,311.1)</b>	<b>\$ (1,456.3)</b>	<b>\$ (697.8)</b>	<b>\$ (6,832.4)</b>
Percentage of total revenues (including other sources)	19.6%	18.5%	10.1%	4.0%	12.1%

	Claims (a)		40 years			
	\$ in millions	%	Nominal (b)	%	PV @ 5.0% (b)	%
PFRS pension (c)	1,250.0	13%	1,325.2	106%	481.8	39%
GRS pension (c)	1,879.0	19%	1,808.9	96%	895.5	48%
PFRS OPEB	2,207.8	23%	493.1	22%	231.1	10%
GRS OPEB	2,095.2	22%	466.0	22%	219.6	10%
UTGO	388.0	4%	368.5	95%	288.5	74%
LTGO	163.5	2%	88.2	54%	67.6	41%
POC - Syncora	354.4	4%	73.6	21%	41.3	12%
POC - FGIC (B reserves)	1,118.8	12%	232.3	21%	130.4	12%
DDA	33.6	0%	7.0	21%	3.2	10%
Other unsecured items	150.0	2%	39.1	26%	17.9	12%
36DC claims	6.0	0%	2.2	37%	1.9	32%
<b>Total</b>	<b>\$ 9,646.4</b>	<b>100%</b>	<b>\$ 4,904.0</b>	<b>51%</b>	<b>\$ 2,378.7</b>	

**Footnotes:**

(a) Subject to ongoing legal review/negotiation. Final allowed claim amounts under these categories may be materially different.

(b) Nominal pension system payments exclude \$661m for PFRS and GRS (State settlement &amp; art proceeds) for the calculation of recoveries.

(c) Retirement system pension claims based on actuarial valuation as of June 30, 2013. Assumes a 6.75% discount rate.

## Plan of Adjustment - 40 year projections

## Preliminary forecast and distributions

(\$ in millions)

Debtors Ex. 44 Page 12 of 16

Sources

	2014- 2023	2024- 2033	2034- 2043	2044- 2053	40-year total
<b>Funds available for unsecured claims</b>	\$ 816.3	\$ 1,424.2	\$ 1,301.1	\$ 779.5	\$ 4,321.1
<b>Revenue stream from DWSD - no transaction</b>					
Pension	428.5	-	-	-	428.5
OPEB (based on 12.1% of OPEB - current retirees payments)	21.7	44.3	42.4	6.5	114.8
POC (based on 11.5% of total POC payments)	13.6	12.4	8.0	1.2	35.3
<b>Subtotal: Revenue stream from DWSD</b>	463.8	56.7	50.5	7.7	578.6
<b>Reimbursement from other funds</b>	44.3	57.0	37.6	26.3	165.2
<b>Grand Bargain funding</b>					
Foundation fundraising	164.7	201.3	-	-	366.0
DIA contributions	45.0	55.0	-	-	100.0
State settlement	194.8	-	-	-	194.8
<b>Total sources</b>	<b>\$ 1,728.9</b>	<b>\$ 1,794.1</b>	<b>\$ 1,389.2</b>	<b>\$ 813.5</b>	<b>\$ 5,725.7</b>

Uses

<b>Retiree payments</b>					
PFRS pension payments	(260.7)	(617.7)	(464.5)	(311.3)	(1,654.2)
GRS pension payments	(718.5)	(630.4)	(474.0)	(317.7)	(2,140.7)
PFRS OPEB payments - current retirees	(9.1)	-	-	-	(9.1)
GRS OPEB payments - current retirees	(10.9)	-	-	-	(10.9)
<b>Subtotal: retiree distributions</b>	(999.2)	(1,248.1)	(938.5)	(628.9)	(3,814.8)
<b>Note and cash payments</b>					
Note A1 (UTGO)	(327.6)	(40.8)	-	-	(368.5)
Note A2 (LTGO)	(55.0)	-	-	-	(55.0)
Note B (incl. B reserves)	(214.9)	(470.2)	(450.6)	(68.9)	(1,204.6)
36DC cash payments	(2.2)	-	-	-	(2.2)
Note C (POC)	(84.8)	(34.9)	-	-	(119.7)
<b>Subtotal: note and cash payments</b>	(684.5)	(546.0)	(450.6)	(68.9)	(1,750.0)
<b>Total distributions / total uses</b>	<b>\$ (1,683.7)</b>	<b>\$ (1,794.1)</b>	<b>\$ (1,389.2)</b>	<b>\$ (697.8)</b>	<b>\$ (5,564.8)</b>
<b>Surplus / (deficit)</b>	<b>\$ 45.2</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 115.7</b>	<b>\$ 160.9</b>
<b>Ending cash balance (a)</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 81.2</b>	<b>\$ 196.9</b>	<b>\$ 196.9</b>

Footnotes:

(a) Includes 5% of budgeted expenditures as required by State law.



## Plan of Adjustment - 40 year projections

## Preliminary forecast and distributions

(\$ in millions)

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		2014- 2023	2024- 2033	2034- 2043	2044- 2053	40-year total
<b>Revenues</b>	<b><u>Growth after FY23</u></b>					
Municipal income tax	2.4% - 2.8%	\$ 2,770.3	\$ 3,510.0	\$ 4,590.6	\$ 6,059.3	\$ 16,930.2
State revenue sharing	0.1% - 1.7%	2,000.5	2,121.0	2,307.1	2,533.2	8,961.8
Wagering taxes	1.0%	1,732.6	1,905.6	2,105.0	2,325.2	8,068.4
Property taxes	1.5% - 2.2%	1,074.0	1,369.6	1,640.0	1,903.2	5,986.8
Utility users' taxes	1.5% - 1.7%	257.2	304.3	353.2	409.9	1,324.6
Sales and charges for services	2.0%	1,118.0	1,161.2	1,415.5	1,725.5	5,420.2
Other revenue	2.0%	706.9	747.2	918.3	1,119.7	3,492.1
General Fund reimbursements	2.0%	264.1	238.8	291.1	354.9	1,149.0
Transfers in for UTGO	n/a	532.8	147.6	22.1	-	702.4
Restructuring:						
Department revenue initiatives	2.0%	482.9	586.2	714.6	871.1	2,654.8
QOL / exit financing proceeds (net)	n/a	241.4	27.5	-	-	268.9
Total revenues		11,180.6	12,119.1	14,357.4	17,301.9	54,959.1
<b>Expenditures</b>						
Salaries/overtime/fringe - Public Safety (a)	2.0% - 2.25%	(2,864.3)	(3,524.5)	(4,356.5)	(5,442.1)	(16,187.4)
Salaries/overtime/fringe - Non-Public Safety	2.0% - 2.25%	(903.8)	(1,087.2)	(1,343.9)	(1,678.8)	(5,013.7)
Health benefits (b)	~4% inflation cap beg. FY20	(752.6)	(928.2)	(1,373.9)	(2,033.7)	(5,088.4)
OPEB payments - future retirees (a)	\$1m per year uniform / 2% of wages non-uniform	(32.2)	(37.0)	(43.2)	(51.1)	(163.4)
Active pension plan (a)	12.25% uniform / 5.75% non-uniform	(347.9)	(443.6)	(547.8)	(683.4)	(2,022.6)
Other operating expenses (c)	2.0%	(3,073.2)	(3,437.4)	(4,190.1)	(5,107.7)	(15,808.5)
Restructuring:						
Additional operating expenditures	2.0%	(357.5)	(359.1)	(437.7)	(533.5)	(1,687.7)
Escrow proceeds (2012 refunding bonds)	n/a	64.7	-	-	-	64.7
Working capital	n/a	0.2	-	-	-	0.2
Secured debt service	n/a	(390.5)	(391.0)	(67.2)	-	(848.6)
Contributions to income stabilization fund	n/a	(17.8)	(2.2)	-	-	(20.0)
Swap interest set-aside	n/a	(103.7)	-	-	-	(103.7)
QOL / exit financing principal/interest payments	n/a	(292.9)	(126.0)	-	-	(418.9)
Reorganization (Capital investments)	2.0%	(582.2)	(442.7)	(501.4)	(605.3)	(2,131.5)
Restructuring professional fees	n/a	(177.0)	-	-	-	(177.0)
Blight (excludes heavy commercial)	n/a	(420.0)	-	-	-	(420.0)
PLD decommission	n/a	(75.0)	-	-	-	(75.0)
Contingency	n/a	(98.9)	(120.9)	(143.6)	(173.0)	(536.4)
Reinvestment deferrals	n/a	60.2	204.7	(51.1)	(213.8)	-
Total expenditures		(10,364.4)	(10,694.9)	(13,056.3)	(16,522.4)	(50,638.0)
<b>Funds available for unsecured claims</b>		<b>\$ 816.3</b>	<b>\$ 1,424.2</b>	<b>\$ 1,301.1</b>	<b>\$ 779.5</b>	<b>\$ 4,321.1</b>

Footnotes:

(a) Assumes pending DPOA &amp; DFFA deals are cash flow neutral.

(b) Health benefits include \$142.8m of OPEB payments for current retirees in FY 2014 (\$123.8m) and FY 2015 (\$19m).

(c) The impact of the first decade increase in DDOT subsidy is assumed to be offset by operational savings beyond 2023.

## Plan of Adjustment - 40 year projections

## Recovery summary

(\$ in millions)

## 10 Years

## Distributions

Creditor	Class (a)	Claim	State settlement	DIA settlement	Cash	Notes					10 year \$
						A1	A2	B	B (reserves)	C	
LTGO	7	\$164					\$55		\$6		\$61
UTGO	8	\$388				\$328					\$328
POC - Syncora (b)	9	\$354						\$8		\$20	\$28
POC - FGIC	9	\$1,119						\$25		\$64	\$90
PFRS pension	10	\$1,250	\$96	\$165							\$261
GRS pension (c)	11	\$1,879	\$99	\$45	\$575						\$719
PFRS OPEB	12	\$2,208			\$9			\$79	\$7		\$95
GRS OPEB	12	\$2,095			\$11			\$74	\$7		\$92
DDA	13	\$34						\$1			\$1
Other unsecured	14	\$150						\$6	\$1		\$7
36DC	17	\$6			\$2						\$2
		\$9,646	\$195	\$210	\$597	\$328	\$55	\$193	\$22	\$85	\$1,684

## 40 Years

## Distributions

Creditor	Class (a)	Claim	State settlement	DIA settlement	Cash	Notes					Illustrative Recoveries			Adjusted %
						A1	A2	B	B (reserves)	C	\$	\$ PV (d)	%	
LTGO	7	\$164					\$55		\$33		\$88	\$68	41%	
UTGO	8	\$388				\$368					\$368	\$288	74%	
POC - Syncora (b)	9	\$354						\$45		\$29	\$74	\$41	12%	
POC - FGIC	9	\$1,119						\$141		\$91	\$232	\$130	12%	
PFRS pension	10	\$1,250	\$96	\$233	\$1,325						\$1,654	\$735	59%	
GRS pension (c)	11	\$1,879	\$99	\$233	\$1,809						\$2,141	\$1,118	60%	
PFRS OPEB	12	\$2,208			\$9			\$442	\$42		\$493	\$231	10%	
GRS OPEB	12	\$2,095			\$11			\$416	\$40		\$466	\$220	10%	
DDA	13	\$34						\$7			\$7	\$3	10%	
Other unsecured	14	\$150						\$31	\$8		\$39	\$18	12%	
36DC	17	\$6			\$2						\$2	\$2	32%	
		\$9,646	\$195	\$466	\$3,156	\$368	\$55	\$1,082	\$122	\$120	\$5,565	\$2,855		

Includes  
settlement credits  
Excludes State,  
Foundation, and DIA  
funding

## Description of notes

Note	Face value	Interest rate	Recipients	Term	Comments
Note A1	\$287.6	n/a	UTGO	14 years	Represents ~87% of UTGO scheduled debt service
Note A2	\$55.0	n/a	LTGO	n/a	Upfront payment; City retains the option to repay this note over 23 years
Note B (incl. reserves)	\$632.0	4%, 4%, 6%	OPEB, LTGO, POC, Notes & Other unsec.	30 years	10 yrs interest only, and straight-line amortization thereafter
Note C	\$88.4	5%	Syncora & FGIC	12 years	\$10m annual payment

## Footnotes:

- (a) Excludes Secured Claims (Class 1 through Class 6), Convenience Claims (Class 15), and Subordinated Claims (Class 16).  
 (b) Distributions and illustrative recoveries do not include settlement credits in the nominal amount of \$25m.  
 (c) Cash payments include DWSD contributions of \$429m and other fund reimbursements of \$94m (over the 40yr period).  
 (d) Present value amounts calculated assuming 5% discount rate.



## Plan of Adjustment - 40 year projections

## Assumptions

(\$ in millions)

Plan of Adjustment - 40 year projections		
<b>General Fund Cash Flows</b>	GF 40yr cash flows	\$4.3b funds available for unsecured claims
	Minimum cash requirement	Based on 2 months of payroll through FY23 and the 5% cash reserve thereafter
	DIP financing	Quality of Life (\$120m @ 3.5% assumed to be refinanced as part of exit facility)
	Exit financing	\$160.0m tax-exempt note @ 5.75% maturing in FY30
		\$115.0m taxable note @ 5.75% maturing in FY23
		Allocation and amortization are subject to tax counsel review
	Swap treatment	\$85m settlement
	Contingency	Reflects 1.0% of total revenues
<b>Revenue stream from DWSD</b>	Pension	\$429m for pension in the first 10 years
	OPEB	12.1% of OPEB - current retirees payments
	POC	11.5% of total POC payments
<b>Reimbursement from other funds</b>	Reimbursements from Parking (non-GF) and Library	
<b>DIA settlement</b>	Foundations	\$366m over 20 years
	DIA	\$100m over 20 years
<b>State settlement</b>	Contributions to pension	\$195m in FY15
<b>Unsecured Claims treatment</b>		
LTGO (Class 7)	Note A2 and Note B reserves	\$55m settlement note and \$17.4m Note B reserves
UTGO (Class 8)	Note A1	\$288m note funded with pass-through UTGO millage
POC (Class 9) - Syncora	Notes C and B	\$21m of Note C and \$23.5m of Note B
POC (Class 9) - FGIC	Notes C and B	\$67m of Note C and \$74.2m of Note B
PFRS Pension (Class 10)	<i>State and DIA Settlements</i>	
	Contributions (years 1-10)	Estimated to be \$261m from foundations / State settlement
	Contributions (years 11-40)	UAAL as of June 30, 2023 estimated to be ~\$681m amortized over 30yr, including contributions in second decade from DIA and foundations
	Discount rate	6.75%
	Targeted funded status as of 2023	78%
<b>GRS Pension (Class 11)</b>	<i>State and DIA Settlements</i>	
	Contributions (years 1-10)	Estimated to be \$99m from State settlement; \$429m from DWSD; \$45m from DIA; \$146m from GF & other funds
	Contributions (years 11-40)	UAAL as of June 30, 2023 estimated to be ~\$695m amortized over 30yr, including contributions in second decade from DIA and foundations
	Discount rate	6.75%
	Targeted funded status as of 2023	70%
OPEB (Class 12)	Note B, Note B reserves, and cash	\$450m of Note B, \$42.7m Note B reserves, and \$20m cash
DDA (Class 13)	Note B	\$4m of Note B
Other unsecured (Class 14)	Note B and Note B reserves	\$16m of Note B and \$4m Note B reserves
36DC (Class 17)	Cash payment	\$2.2m cash (~\$500k upfront payment, and 4 equal annual payments thereafter of ~\$400k)

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